



Reprinted  
February 5, 2002

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## HOUSE BILL No. 1317

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DIGEST OF HB 1317 (Updated February 4, 2002 6:08 PM - DI 92)

**Citations Affected:** IC 6-6; IC 32-11.

**Synopsis:** Gasoline tax. Increases the gasoline tax to 16 cents per gallon on January 1, 2003, and 17 cents per gallon on January 1, 2004 (the tax rate is currently 15 cents per gallon). Provides that the increased revenue from the increase in the gasoline tax rate is to be deposited in the motor vehicle highway account. Increases the amount of litigation costs that a defendant may be awarded in certain eminent domain actions from \$2,500 to \$5,000.

**Effective:** July 1, 2002; January 1, 2003.

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### Liggett, Scholer, Crosby, Saunders

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January 15, 2002, read first time and referred to Committee on Ways and Means.  
January 31, 2002, amended, reported — Do Pass.  
February 4, 2002, read second time, amended, ordered engrossed.

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HB 1317—LS 6865/DI 44+



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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1317

A BILL FOR AN ACT to amend the Indiana Code concerning  
taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-6-1.1-201 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 201. A license tax  
3       of fifteen cents (\$0.15) per gallon is imposed on the use of all gasoline  
4       used in Indiana, except as otherwise provided by this chapter. **The rate**  
5       **of the tax is:**

6               **(1) sixteen cents (\$0.16) per gallon on gasoline used in Indiana**  
7               **after December 31, 2002, and before January 1, 2004; and**

8               **(2) seventeen cents (\$0.17) per gallon on gasoline used in**  
9               **Indiana after December 31, 2003.**

10       The distributor shall initially pay the tax on the billed gallonage of all  
11       gasoline the distributor receives in this state, less any deductions  
12       authorized by this chapter. The distributor shall then add the per gallon  
13       amount of tax to the selling price of each gallon of gasoline sold in this  
14       state and collected from the purchaser so that the ultimate consumer  
15       bears the burden of the tax.

16       SECTION 2. IC 6-6-1.1-801.5 IS AMENDED TO READ AS  
17       FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 801.5. (a) The

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1 administrator shall transfer ~~one-fifteenth (1/15)~~ **the following amounts**  
 2 of the taxes that are collected under this chapter to the state highway  
 3 road construction and improvement fund:

4 **(1) One sixteenth (1/16) of the taxes that are collected under**  
 5 **this chapter after December 31, 2002, and before January 1,**  
 6 **2004.**

7 **(2) One seventeenth (1/17) of the taxes that are collected**  
 8 **under this chapter after December 31, 2003.**

9 **(b) The administrator shall transfer the following amounts of**  
 10 **the taxes that are collected under this chapter to the motor vehicle**  
 11 **highway account:**

12 **(1) One sixteenth (1/16) of the taxes that are collected under**  
 13 **this chapter after December 31, 2002, and before January 1,**  
 14 **2004.**

15 **(2) Two seventeenths (2/17) of the taxes that are collected**  
 16 **under this chapter after December 31, 2003.**

17 ~~(b)~~ **(c)** After the ~~transfer~~ **transfers** required by ~~subsection~~  
 18 **subsections (a) through (b),** the administrator shall transfer the next  
 19 twenty-five million dollars (\$25,000,000) of the taxes that are collected  
 20 under this chapter and received during a period beginning July 1 of a  
 21 year and ending June 30 of the immediately succeeding year to the  
 22 auditor of state for distribution in the following manner:

23 **(1)** thirty percent (30%) to each of the counties, cities, and towns  
 24 eligible to receive a distribution from the local road and street  
 25 account under IC 8-14-2 and in the same proportion among the  
 26 counties, cities, and towns as funds are distributed under  
 27 IC 8-14-2-4;

28 **(2)** thirty percent (30%) to each of the counties, cities, and towns  
 29 eligible to receive a distribution from the motor vehicle highway  
 30 account under IC 8-14-1 and in the same proportion among the  
 31 counties, cities, and towns as funds are distributed from the motor  
 32 vehicle highway account under IC 8-14-1; and

33 **(3)** forty percent (40%) to the Indiana department of  
 34 transportation.

35 ~~(c)~~ **(d)** The auditor of state shall hold all amounts of collections  
 36 received under subsection ~~(b)~~ **(c)** from the administrator that are made  
 37 during a particular month and shall distribute all of those amounts  
 38 pursuant to subsection ~~(b)~~ **(c)** on the fifth day of the immediately  
 39 succeeding month.

40 ~~(d)~~ **(e)** All amounts distributed under subsection ~~(b)~~ **(c)** may only be  
 41 used for purposes that money distributed from the motor vehicle  
 42 highway account may be expended under IC 8-14-1.



1       SECTION 3. IC 32-11-1-10 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The costs of the  
3       proceedings shall be paid by the plaintiff, except that in case of trial the  
4       additional costs thereby caused shall be paid as the court shall adjudge.  
5       However, if, in case of trial, the amount of damages awarded to the  
6       defendant by the judgment, exclusive of interest and costs, is greater  
7       than the amount specified in the last offer of settlement made by the  
8       plaintiff under section 8.1 of this chapter, the court shall allow the  
9       defendant his litigation expenses in an amount not to exceed  
10      ~~twenty-five hundred~~ **five thousand** dollars ~~(\$2,500)~~. **(\$5,000)**.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1317, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE JANUARY 1, 2003]".

Page 1, delete lines 6 through 11, begin a new line block indented and insert:

**"(1) sixteen cents (\$0.16) per gallon on gasoline used in Indiana after December 31, 2002, and before January 1, 2004; and**

**(2) seventeen cents (\$0.17) per gallon on gasoline used in Indiana after December 31, 2003."**

Page 2, delete lines 6 through 40, begin a new line block indented and insert:

**"(1) One sixteenth (1/16) of the taxes that are collected under this chapter after December 31, 2002, and before January 1, 2004.**

**(2) One seventeenth (1/17) of the taxes that are collected under this chapter after December 31, 2003.**

**(b) The administrator shall transfer the following amounts of the taxes that are collected under this chapter to the motor vehicle highway account:**

**(1) One sixteenth (1/16) of the taxes that are collected under this chapter after December 31, 2002, and before January 1, 2004.**

**(2) One seventeenth (1/17) of the taxes that are collected under this chapter after December 31, 2003."**

Page 2, line 41, delete "(e)" and insert "(c)".

Page 2, line 42, delete "(d)" and insert "(b)".

Page 3, line 17, delete "(f)" and insert "(d)".

Page 3, line 18, delete "(e)" and insert "(c)".

Page 3, line 20, delete "(e)" and insert "(c)".

Page 3, line 22, delete "(g)" and insert "(e)".

Page 3, line 22, delete "(e)" and insert "(c)".

Page 3, delete lines 25 through 42, begin a new paragraph and insert:

"SECTION 3. IC 32-11-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The costs of the proceedings shall be paid by the plaintiff, except that in case of trial the additional costs thereby caused shall be paid as the court shall adjudge.

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However, if, in case of trial, the amount of damages awarded to the defendant by the judgment, exclusive of interest and costs, is greater than the amount specified in the last offer of settlement made by the plaintiff under section 8.1 of this chapter, the court shall allow the defendant his litigation expenses in an amount not to exceed ~~twenty-five hundred five thousand~~ dollars ~~(\$2,500)~~. **(\$5,000)**."

Delete page 4.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1317 as introduced.)

BAUER, Chair

Committee Vote: yeas 21, nays 5.

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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1317 be amended to read as follows:

Page 2, line 15, delete "One seventeenth (1/17)" and insert "**Two seventeenths (2/17)**".

(Reference is to HB 1317 as printed February 1, 2002.)

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